



2. The TWHBEA Registry contains over 70 years' worth of unbroken ancestral lineage records for Tennessee Walking Horses. TWHBEA maintains in its possession the pedigree of every horse registered with us since 1935, and keeps these in two fireproof vaults. Every single horse that is registered with TWHBEA has its Registration Certificate on file with TWHBEA, showing an unbroken chain since TWHBEA's founding in 1935.<sup>3</sup>

**RESPONSE:**

3. As of November 13, 2006, TWHBEA had approximately 430,000 horses in its Registry,<sup>4</sup> giving it a market share of 98% of registered Tennessee Walking Horses.<sup>5</sup>

**RESPONSE:**

Evolution of TWHBEA Selection Criteria

4. TWHBEA issues ownership and pedigree certificates based on a horse's satisfaction of the selection criteria, including establishment that the horse is a pure-bred Tennessee Walking Horse ("TWHBEA Registry Certificates").<sup>6</sup>

**RESPONSE:**

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<sup>3</sup> Declaration of Sharon Brandon at ¶ 3 (Brandon is the Secretary/Treasurer of TWHBEA, who has worked there since August 1962); see generally Brandon dep. at 66.

<sup>4</sup> Brandon decl. at ¶ 4.

<sup>5</sup> Declaration of Glenn Perdue, one of TWHBEA's experts, at ¶ 9.

<sup>6</sup> Brandon dep. at 10.

5. The original Constitution and Bylaws of TWHBEA, adopted in 1935, set forth rules that govern eligibility for registration in the TWHBEA Registry (TWH/NWH 4928-4937 (Art. XIV)), and the 1938 Registry included specific criteria for inclusion, including specific colors, markings on the legs, body, head, mane and tail.<sup>7</sup>

**RESPONSE:**

6. Over time, TWHBEA's selection criteria have evolved. For example, in 1974, TWHBEA researched and discussed the use of photographs of the horses' night eyes, or chestnuts for purposes of positive identification and including the photographs in the application for registration.<sup>8</sup>

**RESPONSE:**

7. TWHBEA's chart of colors and markings from 1999 includes some different color selections from the 1990 chart, and the 2006 chart includes different colors from the 1999 chart, even still.<sup>9</sup>

**RESPONSE:**

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<sup>7</sup> TWH/NWH 4962-63.

<sup>8</sup> TWH/NWH 2267 and 2275.

<sup>9</sup> See Brandon decl. at ¶¶ 7-8, attaching summary of color charts; TWH/NWH 6472-6488 (1990 color chart); TWH/NWH 6489-6504 (mid-90s color chart); TWH/NWH 6505-6520 (2006 color chart).

TWHBEA's Copyrights & Registration of its Copyrights

8. TWHBEA has registered its copyright in the TWHBEA Registry with the United States Copyright Office ("the Copyright Office").<sup>10</sup>

**RESPONSE:**

9. TWHBEA's copyright notice has appeared on its Applications for Registration continuously since 1979.<sup>11</sup>

**RESPONSE:**

10. TWHBEA's copyright notice has appeared in its rule books continuously since before 1994.<sup>12</sup>

**RESPONSE:**

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<sup>10</sup> Complaint & Answer ¶ 21 (Registration Numbers TXu-67-928, TXu-91-028, TXu-131-889, TXu-155-041, TXu-200-340, TXu-231-014, TXu-231-016, TXu-272-088, TXu-272-518, TXu-316-329, TXu-372-371 and TXu-470-460) (copies of the certificates of which are attached at Exhibit A to the Complaint); TWH/NWH 0081-0082 (Registration Number TX 6-295-177).

<sup>11</sup> TWH/NWH 5913-5914, 6014-6034 and 6046-6052.

<sup>12</sup> See Rule 16 of undated Bylaws and Rules (TWH/NWH 5872-5883); Rule 18 of 1994 revision (TWH/NWH 0736-0749); Rule 19 of 1998 revision (TWH/NWH 5884-5893); Rule 19 of 2000 revision (TWH/NWH 5894-5902); Rule 19 of 2003 revision (TWH/NWH 5903-5912); and Rule 19 of 2005 revision (TWH/NWH 0680-0691).

TWHBEA's Trademarks & Registration of the TWHBEA Design Mark

11. Since as early as June 1974, TWHBEA has continuously and exclusively used the service-mark TENNESSEE WALKING HORSE BREEDERS' AND EXHIBITORS' ASSOCIATION in interstate commerce, in connection with maintenance of the TWHBEA Registry, sporting events and competitions for the Tennessee Walking Horse, and informational services, printed materials and publications in the field of the Tennessee Walking Horse.<sup>13</sup>

**RESPONSE:**

12. Since as early as May 30, 1992, TWHBEA has continuously and exclusively used the service-mark TWHBEA in interstate commerce, in connection with maintenance of the TWHBEA Registry, sporting events and competitions for the Tennessee Walking Horse, and informational services, printed materials and publications in the field of the Tennessee Walking Horse.<sup>14</sup>

**RESPONSE:**

13. Since as early as May 30, 1992, TWHBEA has continuously and exclusively used the service-mark TWHBEA and Design ("the TWHBEA Design Mark") in interstate commerce, in connection with maintenance of the TWHBEA Registry, sporting events and competitions for

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<sup>13</sup> Brandon decl. at ¶ 9.

<sup>14</sup> Brandon decl. at ¶ 10.

the Tennessee Walking Horse, and informational services, printed materials and publications in the field of the Tennessee Walking Horse. A drawing of this service-mark is attached hereto as Exhibit 1.<sup>15</sup>

**RESPONSE:**

14. Since as early as July 1, 2002, TWHBEA has continuously and exclusively used the service-marks (a) TENNESSEE WALKING HORSE BREEDERS' AND EXHIBITORS' ASSOCIATION, (b) TWHBEA, and (c) the TWHBEA Design Mark (collectively "the TWHBEA Marks") in interstate commerce in connection with on-line informational services, computerized communications services and on-line retail store services in the field of the Tennessee Walking Horse.<sup>16</sup>

**RESPONSE:**

15. The United States Patent and Trademark Office issued registration of the TWHBEA Design Mark, in connection with maintenance of the TWHBEA Registry, on January 31, 1995.<sup>17</sup>

**RESPONSE:**

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<sup>15</sup> Brandon decl. at ¶ 11.

<sup>16</sup> Brandon decl. at ¶ 12.

<sup>17</sup> Complaint & Answer ¶ 32 (Registration Number 1,876,853).

### NWHA Established a Registry

16. When founded in 1998, NWHA did not possess a database of pedigrees of the Tennessee Walking Horse.<sup>18</sup>

#### **RESPONSE:**

17. NWHA established a registry that provides ancestral lineage information of Tennessee Walking Horses (“the NWHA Registry”)<sup>19</sup>, and from which NWHA issues certificates of pedigree and ownership registration for Tennessee Walking Horses (“the NWHA Certificates”).<sup>20</sup>

#### **RESPONSE:**

18. NWHA launched the NWHA Registry on its website <www.nwha.com> (“the NWHA Website”) in approximately July 2004.<sup>21</sup>

#### **RESPONSE:**

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<sup>18</sup> Complaint & Answer ¶¶ 36 & 45.

<sup>19</sup> Complaint & Answer ¶¶ 46-47.

<sup>20</sup> Complaint & Answer ¶ 48.

<sup>21</sup> Deposition of Debbie Nuding (NWHA’s Registry database administrator) at 8.

19. As of July 21, 2006, NWHHA had received 164 applications from owners to register their horse(s) with NWHHA, 158 (or 96%) of which attached a TWHBEA Registry Certificate to their NWHHA application.<sup>22</sup>

**RESPONSE:**

20. Separately, as of August 22, 2006, the NWHHA online database at <www.nwha.com/search.html> (“NWHHA Website”) included 5,788 entries, 5,014 (or 87%) of which are TWHBEA-registered horses.<sup>23</sup>

**RESPONSE:**

NWHHA Encouraged the Public to Submit TWHBEA Registry Certificates when Applying with NWHHA

21. From the time NWHHA first launched the Registry on the NWHHA Website in July 2004 through December 25, 2005, it encouraged the public to submit TWHBEA registration papers when applying to register with NWHHA.<sup>24</sup>

**RESPONSE:**

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<sup>22</sup> Perdue decl. at ¶ 4; NWHHA 0353-1382 (copies of the 164 NWHHA Registry Certificates that NWHHA produced in response to TWHBEA’s Second Req. for Prod. No. 15, along with each corresponding application, 158 of which attached a TWHBEA Registry Certificate; *the only ones of which are reproduced here are those attached to Ex. 2*).

<sup>23</sup> Perdue Decl. at ¶ 5.

<sup>24</sup> Deposition of Don Bell at 68 (Don Bell served as NWHHA’s 30(b)(6) representative, per Bell dep. at 27); Nuding dep. at 9-10; see also Complaint & Answer ¶ 51. Copies of the representative pages of the NWHHA Website are attached to the Complaint at Exhibit E.



22. From July 2004 through December 25, 2005, the NWHHA Website stated<sup>25</sup>:

A. “NWHHA is now accepting Tennessee Walking Horse Breeders and Exhibitors Association (TWHBEA) . . . registered Walking Horses with current registration papers for registration with NWHHA.”<sup>26</sup>

B. “Blood typing and parentage verification on horses that are currently registered with TWHBEA . . . will be accepted.”

C. “A code will be added to every horse that is registered with [NWHHA] that will denote how each horse entered the registry (example: TWHBEA horses will carry the letter “T”).”<sup>27</sup>

D. “Be sure to send copies of both sides of TWHBEA . . . registration certificates with application to register with NWHHA.”

E. “Copies of TWHBEA or CRTWH registration papers MUST accompany registration.”<sup>28</sup>

**RESPONSE:**

23. From July 2004 through December 25, 2005, the NWHHA Website included no disclaimer explaining that TWHBEA did not endorse or condone NWHHA’s use of TWHBEA’s trademarks.<sup>29</sup>

**RESPONSE:**

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<sup>25</sup> Ex. E to Complaint (Doc. 1-6) (Printout from NWHHA Website, dated 11/29/05).

<sup>26</sup> Nuding dep. at 39.

<sup>27</sup> Nuding dep. at 40.

<sup>28</sup> Nuding dep. at 42 (emphasis in original).

<sup>29</sup> Ex. E to Complaint (Doc. 1-6) (Printout from NWHHA Website, dated 11/29/05).

24. NWA has never asked TWHBEA for permission to use the TWHBEA Marks or the TWHBEA Registry.<sup>30</sup>

**RESPONSE:**

NWA Later Removed references to TWHBEA, But Continues to Accept TWHBEA Registry Certificates

25. TWHBEA filed this suit against NWA on December 2, 2006.<sup>31</sup>

**RESPONSE:**

26. On approximately December 26, 2005, NWA eventually removed all references to TWHBEA from the NWA Website, and added a disclaimer.<sup>32</sup>

**RESPONSE:**

27. NWA continues to accept TWHBEA Registry Certificates<sup>33</sup>, and has no intention to stop doing so.<sup>34</sup>

**RESPONSE:**

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<sup>30</sup> Bell dep. at 120.

<sup>31</sup> Complaint.

<sup>32</sup> Bell Dep. at 68-71; Dep. Ex. 18.

<sup>33</sup> Bell dep. at 71, 118; Nuding dep. at 56-58.

<sup>34</sup> Bell dep. at 79.

NWHA Uses TWHBEA Registration Certificates to Obtain Information for its own Registry

28. NWHA's application for registration contains no space to list a horse's pedigree.<sup>35</sup>

**RESPONSE:**

29. The sole source from which NWHA obtains a horse's pedigree is from the certificate of TWHBEA or the Canadian registry, unless that horse's pedigree is contained in the canned software that NWHA purchased for \$100.<sup>36</sup>

**RESPONSE:**

30. The NWHA Registry has copied and denoted unique designations that TWHBEA has historically assigned to its horses, such as "F-38," which designates a horse was the 38<sup>th</sup> foundation horse in the TWHBEA Registry.<sup>37</sup>

**RESPONSE:**

31. After Glo's NWHA application listed these markings: Blaze lower lip, sock left hind leg, fetlock right hind leg."<sup>38</sup> But After Glo's TWHBEA Registry Certificate<sup>39</sup> stated:

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<sup>35</sup> Bell dep. at 111.

<sup>36</sup> Bell dep. at 111-13; Bell dep. at 81 (explaining that NWHA voted to accept pedigree certificates from only two registries: TWHBEA and the Canadian registry).

<sup>37</sup> Brandon Decl. at ¶ 6; Compare TWHBEA original Registry (TWH/NWH 4953-4963), with Pedigree of Hals Happy Spirit NWHA Tracking Registry # 19890003, printed off the NWHA Registry on May 16, 2006 (Dep. Ex. 30; TWH/NWH 0866-0868), where page 0867's top right corner shows Roan Allen as an ancestor of Hals Happy Spirit, and bears the designation "F-38."

“Near hind sock, off hind fetlock, lower lip, blaze” – which is exactly what NWHHA copied onto the NWHHA Registry Certificate<sup>40</sup> that it issued for that horse. +

**RESPONSE:**

32. Son’s Suede Karma’s NWHHA application listed these markings: “Bald face, sock, mix flax.”<sup>41</sup> Its TWHBEA Registry Certificate,<sup>42</sup> however, listed these markings: “Four stockings, bald, flax mane, white tail” – which is exactly what appeared on the NWHHA Registry Certificate<sup>43</sup> when it was eventually issued.

**RESPONSE:**

33. At least three individuals contacted NWHHA to ask that their horses be removed from the NWHHA Registry.<sup>44</sup>

**RESPONSE:**

Majority of NWHHA Directors were previously TWHBEA Directors

34. Twelve of 16 of NWHHA’s founding directors were also sitting directors of TWHBEA.<sup>45</sup>

**RESPONSE:**

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<sup>38</sup> NWHHA 0354-55.

<sup>39</sup> NWHHA 0356.

<sup>40</sup> NWHHA 0353.

<sup>41</sup> NWHHA 1206-07.

<sup>42</sup> NWHHA 1208.

<sup>43</sup> NWHHA 1204.

<sup>44</sup> Nuding dep. 61-62, 64; TWH/NWH 0001.

<sup>45</sup> TWH/NWH 4100-01 (TWHBEA Executive Committee minutes from Oct. 26, 1998).

35. Approximately all NWHHA board members are current or former members of TWHBEA.<sup>46</sup>

**RESPONSE:**

TWHBEA Registration Certificates Offer Quality Assurance in the Marketplace

36. NWHHA only requires DNA testing for those horses applying for NWHHA-registration that have never been registered with TWHBEA or the Canadian registry.<sup>47</sup>

**RESPONSE:**

37. Many NWHHA members continued to register their horses with TWHBEA even after NWHHA launched its own registry.<sup>48</sup>

**RESPONSE:**

No Laches

38. TWHBEA first learned of NWHHA's infringing conduct in the spring of 2005<sup>49</sup>.

**RESPONSE:**

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<sup>46</sup> Bell dep. at 173.

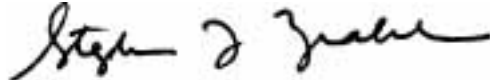
<sup>47</sup> Bell dep. at 179; Nuding dep. at 30.

<sup>48</sup> See deposition of Ken DeHaven at 10 (explaining that he continued to register his horses with TWHBEA even after NWHHA was formed because "we have a lot of people out there who if you want to sell horses, you know, they think they have to be registered with [TWHBEA]"). Ken DeHaven was president of the NWHHA board at the time of his deposition, per DeHaven dep. at 6.

<sup>49</sup> Deposition of Jerrold Pedigo in his non-30(b)(6) capacity at 10-13; TWHBEA's Ans. to First Set of Interrog. No. 5 (noting date as between March and May 2005).

Respectfully submitted,

**BONE MCALLESTER NORTON, PLLC**

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**CERTIFICATE OF SERVICE**

I certify that a true and exact copy of the foregoing has been served, via ECF, on this 15<sup>th</sup> day of November, 2006, on:

Bruce H. Phillips, Esq.  
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